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The Director of Central Intelligence
Washington, D.C. 20505

National Intelligence Council

NIC NO. 00242-85
15 January 1985

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MEMORANDUM FOR THE RECORD

FROM:

Assistant National Intelligence Officer for Europe

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SUBJECT: IG on Malta, Round Two

1. On 11 January, State hosted the second Interagency Group meeting on the NSSD on Malta. Anthony Kochanek, Deputy in the Office of Western European Affairs chaired the meeting. The session discussed general views on first draft contributions and wisely -- given the differences at the table -- did not attempt line-by-line coordination. A revised draft -- with an outlook this time -- will be reviewed at the next IG gathering on 18 January. A SIG is tentatively set to review the final draft, plus policy options, on 25 January.

2. There were considerable differences between State and CIA. In general, State's drafter took a much more relaxed stance than we have noted in most field reporting. He based his arguments on Malta's history of binding ties to the West and downplayed the increasingly receptive attitude in Valetta regarding Soviet and Libyan overtures. Agency analysts, with active support from INR and State Policy Planning, argued that the down-side risk should be clarified. In essence, this requires a sharper focus on chances that a weaker Labor Party, might not be able to stay in power without abandoning democratic procedures and that after Mintoff, it might not be able to extricate itself from Soviet or Libyan influence. The rest of the session tended to dwell on clarifying Soviet goals in Malta against Soviet willingness to take risks or to pay Mintoff's price. The State drafter promised the next draft would reflect all views more fully. He held out the possibility, however, of dissents if some matters are still in contention.

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3. The Chairman also argued the next draft should treat the threat of terrorism staged from Malta much more prominently because Secretary Shultz is keenly interested in any aspects of the terrorism problem.

4. A new policy angle emerged at the meeting. Colonel Cobb from the NSC reportedly wants the NSDD completed on schedule because the White House will not answer a Mintoff request for a visit until it reviews the NSDD. He also has stressed that the NSC wants "imaginative" policy options regarding Malta.

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